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**Department of Health Services
Children's Medical Services Network
(CMS Net) - Information Bulletin #171**



New Blood Factor Billing Method for Pharmacy Providers

Effective for dates of service on or after July 1, 2006, pharmacy providers (only) claiming for blood and anti-hemophilia factor must bill with the National Drug Code (NDC) instead of HCPCS (J codes and Q codes). Pharmacy providers continuing to bill using HCPCS authorized on active California Children's Services (CCS) authorizations will be denied payment. Pharmacies must obtain a new authorization or obtain modified authorizations with the appropriate NDC authorized.

To help identify hemophilia authorizations, CCS Counties will be sent a spreadsheet listing current blood and anti-hemophilia SARs with:

- County Name
- SAR Number
- SAR Start Date
- SAR End Date
- CCS Client Number
- CCS Client's CIN Number
- HCPCS Code

Counties should review their authorizations and if found to be to a pharmacy provider, inform the provider that a new request for authorization or a modified authorization listing the appropriate NDC would be needed for dates of service beginning July 1, 2006.

Counties should provide due diligence in identifying other hemophilia factor clients.

On or before July 1, 2006, EDS will be sending the blood and anti-hemophilia NDCs to CMS and they should appear in CMSNet shortly before or after July 1. It

is not recommended that the counties proactively choose a NDC but wait for the pharmacy to identify the specific NDC they will be using.

CMSNet coding for blood and anti-hemophilia factor products billed by NDC should follow the same analogy for all other NDC billed drugs:

- choose the specific NDC identified by the pharmacy
- for Units column, indicate the number of dispensing occurrences or fills you want to authorize for the duration of the authorization
- for Quantity column, indicate the total number of units of factor for each dispensing occurrence (billing unit is per unit of factor)
- indicate the directions of use specified on the prescription in the special instruction section

Review [This Computes! #93](#) to determine how to code a SAR.

For current legacy authorizations, new authorizations are not needed but you must ensure that the pharmacy claim is billed by a NDC (not billed by the HCPCS that was authorized on the legacy authorization) and the total # factor units dispensed is identified in the claim. A new legacy authorization beginning 7/1/06 should include the NDC, name of factor product, # factor units authorized per dispensing, #vials authorized per dispensing, and directions for use, in the special instructions section. The pharmacy can provide the relevant information.

Pharmacies may have questions on the appropriate billing method. The following table will help explain which claims may be billed electronically (CALPOS), CMC, or by paper.

	Authorization Type	Billing Mechanism	Allowable
CCS/Medi-Cal	SAR	CALPOS	YES
		CMC	YES
		Paper	YES
	Legacy	CALPOS	NO
		CMC	NO
		Paper	YES
CCS/Healthy Families	SAR	CALPOS	NO
		CMC	NO
		Paper	YES
	Legacy	CALPOS	NO
		CMC	NO
		Paper	YES
CCS-only	SAR	CALPOS	NO
		CMC	NO
		Paper	YES
	Legacy	CALPOS	NO
		CMC	NO
		Paper	YES

Pharmacies that bill hardcopy will need to submit their claims on a Pharmacy Claim Form (30-1) and not on form HCFA 1500 that is required for HCPCS.

Quick Reference:

Provider Type	Authorization by	Billing Unit	Code the SAR Quantity Column
Pharmacy	NDC	Each Unit of Factor*	YES
Physician	HCPCS	Each Vial	NO
Hospital, Outpatient Clinics, Blood Banks	HCPCS	Each Vial	NO

*NDC anti-hemophilia factor billing unit is per unit of factor. Most AHF products are expressed in IU (International Units), or units. One product, Novoseven is expressed in mcg (micrograms).